Approved For Release 2005/06/13 : CIA-RDP66B0040 ioing telegram Department of State SICATE: □ COLLECT MARGE TO 14434 LIMITED OFFICIAL USE 58 ACTION: Amembassy KATMANDU 157 Origin NEW DELHI NEA INFO: Amconsul HONG KONG 782 Soufena Amembassy LONDON 4671 SS KARACHI (POUCH) G CINCSTRIKE/CINCMEAFSA (POUCH) SP L JOINT STATE-DEFENSE H Text as released to press of Secretary McNamara's January 27 statement SAL 2-ORR EUR on 1965 defense budget to House Armed Services Committee erroneously FE AID indicated that Nepal was receiving military assistance, including arms and P ammunition, from Communist China. Cause of mistake was inadvertent dropping?-NE USTA INR. of two lines from text when reproduced for release to press. CIA NSA DOD released corrected text of part dealing with Nepal January 30. OSD ARMY Corrected text reads as follows with omitted lines underscored: NAVY AIR Quote The Chinese Communists also pose a grave threat to Nepal NIC and could easily overrun that country with their forces now in Tibet. More probably, in our opinion, the Chinese Communists' aim is to infiltrate and subvert Nepal. They have provided the Nepalese both economic and military assistance, although the latter has been confined to a few radio sets and cloth for uniforms. The Nepalese have reportedly rejected other military assistance, including arms and ammunition. We recognize the desirability of Nepal having an internal security capability, which we estimate can be achieved with their existing army, provided it

NEA: SOA: DKux: dln 1/30/64

Telegraphic transmission and classification approved by:

receives at least a small amount of external assistance. Unquote.

NEA - James P. Grant

DOD/ISA - Col. Miller NEA/P - Mr. Billings

(substance) SOA - Mr. Cameron (substance) FE - Mr. Dean

REPRODUCTION FROM THIS COPY IS

Limited official use

PROHIBITED UNLESS "OFFICIAL USE ONLY" OR "UNCLASSIFIED"

Page 2 Approved For Release 2005/06/13; CIA-RDP66B00403R000100210021-3

LIMITED OFFICIAL USE

If press stories based on incorrect text appear, Embassy Delki and Katmandu should refer newsmen to corrected version. Embassies should also inform GOI and GON.

CIVE

RUSK

NOTE: Pouched by OCT

125MAS TENNINGS TO THE PANSES